



February 19, 2003

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## HOUSE BILL No. 1519

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DIGEST OF HB 1519 (Updated February 17, 2003 3:29 PM - DI 14)

**Citations Affected:** IC 4-33; noncode.

**Synopsis:** Wagering revenue sharing limitations. Eliminates use restrictions on the revenue sharing part of wagering taxes distributed to local governments. Provides that 10% of the revenue sharing be spent for tourism. Corrects a reference to the county auditor. (The introduced version of this bill was prepared by the county government study commission.)

**Effective:** Upon passage.

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**Welch, Adams T, Saunders,  
Whetstone**

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January 16, 2003, read first time and referred to Committee on Public Policy, Ethics and Veterans Affairs.

February 18, 2003, amended, reported — Do Pass. Recommitted to Committee on Ways and Means.

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HB 1519—LS 6050/DI 51+



February 19, 2003

First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

## HOUSE BILL No. 1519

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 4-33-13-5, AS AMENDED BY P.L.192-2002(ss),  
2       SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3       UPON PASSAGE]: Sec. 5. (a) After funds are appropriated under  
4       section 4 of this chapter, each month the treasurer of state shall  
5       distribute the tax revenue deposited in the state gaming fund under this  
6       chapter to the following:

7               (1) The first thirty-three million dollars (\$33,000,000) of tax  
8               revenues collected under this chapter shall be set aside for  
9               revenue sharing under subsection (d).

10              (2) Subject to subsection (b), twenty-five percent (25%) of the  
11              remaining tax revenue remitted by each licensed owner shall be  
12              paid:

13                   (A) to the city that is designated as the home dock of the  
14                   riverboat from which the tax revenue was collected, in the case  
15                   of:

16                           (i) a city described in IC 4-33-12-6(b)(1)(A); or

17                           (ii) a city located in a county having a population of more

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than four hundred thousand (400,000) but less than seven hundred thousand (700,000);

(B) in equal shares to the counties described in IC 4-33-1-1(3), in the case of a riverboat whose home dock is on Patoka Lake; or

(C) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A) or a county described in clause (B).

(3) Subject to subsection (c), the remainder of the tax revenue remitted by each licensed owner shall be paid to the property tax replacement fund.

(b) For each city and county receiving money under subsection (a)(2)(A) or (a)(2)(C), the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year beginning after June 30, 2002, the treasurer of state shall pay that part of the riverboat wagering taxes that:

- (1) exceeds a particular city or county's base year revenue; and
- (2) would otherwise be due to the city or county under this section;

to the property tax replacement fund instead of to the city or county.

(c) Each state fiscal year the treasurer of state shall transfer from the tax revenue remitted to the property tax replacement fund under subsection (a)(3) to the build Indiana fund an amount that when added to the following may not exceed two hundred fifty million dollars (\$250,000,000):

- (1) Surplus lottery revenues under IC 4-30-17-3.
- (2) Surplus revenue from the charity gaming enforcement fund under IC 4-32-10-6.
- (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations of the build Indiana fund. If in any state fiscal year insufficient money is transferred to the property tax replacement fund under subsection (a)(3) to comply with this subsection, the treasurer of state shall reduce the amount transferred to the build Indiana fund to the amount available in the property tax replacement



1 fund from the transfers under subsection (a)(3) for the state fiscal year.

2 (d) Before August 15 of 2003 and each year thereafter, the treasurer  
3 of state shall distribute the wagering taxes set aside for revenue sharing  
4 under subsection (a)(1) to the county treasurer of each county that does  
5 not have a riverboat according to the ratio that the county's population  
6 bears to the total population of the counties that do not have a  
7 riverboat. The county ~~treasurer~~ **auditor** shall distribute the money  
8 received by the county under this subsection as follows:

9 (1) To each city located in the county according to the ratio the  
10 city's population bears to the total population of the county.

11 (2) To each town located in the county according to the ratio the  
12 town's population bears to the total population of the county.

13 (3) After the distributions required in subdivisions (1) and (2) are  
14 made, the remainder shall be retained by the county.

15 (e) Money received by a city, town, or county under subsection (d)  
16 may be used ~~only~~: **for any of the purposes set forth in subdivisions**  
17 **(1) through (5) and shall be used as provided in subdivision (6):**

18 (1) To reduce the property tax levy of the city, town, or county for  
19 a particular year. A property tax reduction under this subdivision  
20 does not reduce the maximum levy of the city, town, or county  
21 under IC 6-1.1-18.5.

22 (2) For deposit in a special fund or allocation fund created under  
23 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and  
24 IC 36-7-30 to provide funding for additional credits for property  
25 tax replacement in property tax increment allocation areas **or**  
26 **debt repayment.**

27 (3) To fund sewer and water projects, including storm water  
28 management projects; or

29 (4) For police and fire pensions.

30 ~~However, not more than twenty percent (20%) of the money received~~  
31 ~~under subsection (d) may be used for the purpose described in~~  
32 ~~subdivision (4).~~

33 **(5) To carry out any governmental purpose for which the**  
34 **money is appropriated by the fiscal body of the city, town, or**  
35 **county. Money used under this subdivision does not reduce**  
36 **the property tax levy of the city, town, or county for a**  
37 **particular year or reduce the maximum levy of the city, town,**  
38 **or county under IC 6-1.1-18.5.**

39 **(6) Ten percent (10%) of the money received by a city, town,**  
40 **or county under subsection (d) shall be used to promote**  
41 **tourism in the city, town, or county.**

42 (f) Before September 15 of 2003 and each year thereafter, the

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1 treasurer of state shall determine the total amount of money distributed  
2 to an entity under IC 4-33-12-6 during the preceding state fiscal year.  
3 If the treasurer of state determines that the total amount of money  
4 distributed to an entity under IC 4-33-12-6 during the preceding state  
5 fiscal year was less than the entity's base year revenue (as determined  
6 under IC 4-33-12-6), the treasurer of state shall make a supplemental  
7 distribution to the entity from taxes collected under this chapter and  
8 deposited into the property tax replacement fund. The amount of the  
9 supplemental distribution is equal to the difference between the entity's  
10 base year revenue (as determined under IC 4-33-12-6) and the total  
11 amount of money distributed to the entity during the preceding state  
12 fiscal year under IC 4-33-12-6.

13 SECTION 2. [EFFECTIVE UPON PASSAGE] **Subject to the**  
14 **appropriation requirements in IC 6-1.1 and any agreement entered**  
15 **into by a city, town, or county that commits the money for a**  
16 **particular purpose, money received under IC 4-33-13-5(d) before,**  
17 **on, or after the effective date of this SECTION may be used after**  
18 **the effective date of this SECTION for any purpose authorized by**  
19 **IC 4-33-13-5, as amended by this act.**

20 SECTION 3. An emergency is declared for this act.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred House Bill 1519, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, line 16, delete "following purposes:" and insert "**purposes set forth in subdivisions (1) through (5) and shall be used as provided in subdivision (6):**".

Page 3, between lines 37 and 38, begin a new line block indented and insert:

**"(6) Ten percent (10%) of the money received by a city, town, or county under subsection (d) shall be used to promote tourism in the city, town, or county."**

and when so amended that said bill do pass.

(Reference is to HB 1519 as introduced.)

LYTLE, Chair

Committee Vote: yeas 12, nays 0.

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